MIRANDA INTELLIGENCE

Mexico Market Chatter

July 31st – August 7th, 2025

MARKETS

The **S&P / BMV IPC** rallied 1.5% to close at 58,260.88 pts, outperforming US indices, helped by Banco de México's interest rate reduction, and Peñoles strong quarterly report, despite continued global trade uncertainty. Meanwhile, the Mexican peso appreciated another 1.4% to MXN$18.61/USD, and the yield of the 10-year M-Bono was down 25 bps to 9.16%.

The **S&P / BMV IPC's** top gainers were: PEÑOLES * (+16.1%), PINFRA * (+10.5%) and LACOMER UBC (+4.7%). On the other hand, the main losers were: TLEVISA CPO (-12.6%), ORBIA * (-5.0%) and FEMSA UBD (-3.5%).

Indexes (America)	7-Aug-25	31-Jul-25	%
Dow Jones	43,968.64	44,130.98	-0.4
S&P 500	6,340.00	6,339.39	0.0
Nasdaq	21,242.70	21,122.45	0.6
VIX	16.57	16.72	-0.9
S&P / BMV IPC	58,260.88	57,397.93	1.5
Bovespa	136,527.61	133,071.05	2.6
Indexes (Europe)	**7-Aug-25**	**31-Jul-25**	**%**
Eurostoxx 50	5,332.07	5,319.92	0.2
FTSE 10	9,100.77	9,132.81	-0.4
DAX	24,192.50	24,065.47	0.5
Indexes (Asia)	**7-Aug-25**	**31-Jul-25**	**%**
Shanghai Comp	3,639.67	3,573.21	1.9
CSI 300	4,114.67	4,075.59	1.0
Hang Seng	25,081.63	24,773.33	1.2
Nikkei 225	41,059.15	41,069.82	-0.0
10-Year Bonds	**7-Aug-25**	**31-Jul-25**	**bps**
US	4.25	4.37	-12.4
Japan	1.49	1.56	-6.9
Germany	2.63	2.70	-6.5
Mexico	9.16	9.41	-25.3
Brazil	13.95	13.95	0.0

FX	7-Aug-25	31-Jul-25	%
Dollar Index	98.09	99.97	-1.9
Euro	1.17	1.14	2.2
MXN	18.61	18.88	-1.4
Brazilian Real	5.42	5.60	-3.1
Japanese Yen	147.14	150.75	-2.4
Chinese Yuan	7.18	7.20	-0.3
Commodities (Energy)	**7-Aug-25**	**31-Jul-25**	**%**
WTI	63.88	69.26	-7.8
Brent	66.34	72.53	-8.5
Natural Gas	3.07	3.11	-1.3
Commodities (Metals)	**7-Aug-25**	**31-Jul-25**	**%**
Gold	3,396.38	3,289.93	3.2
Silver	38.27	36.71	4.2
Copper	9,613.38	9,560.24	0.6
Aluminum	2,609.66	2,562.36	1.8
Cryptocurrencies	**7-Aug-25**	**31-Jul-25**	**%**
Bitcoin	117,239.92	116,491.12	0.6
Ethereum	3,876.03	3,734.71	3.8
Binance	779.84	791.26	-1.4
Solana	170.28	177.81	-4.2
XRP	3.11	3.05	2.0

LISTED COMPANIES

Ignacio Caride unexpectedly resigned as Walmex's CEO and Board Director effective August 1st, after just 15 months in that position. Cristian Barrientos Pozo, current President and CEO of Walmart Chile, assumed the interim leadership role at Walmart Mexico and Centroamérica. He has a 26-year trajectory in the retail sector.

Peñoles reported strong 2Q25 results. Total revenues advanced 27.2% YoY in USD terms, supported by stronger gold and silver prices (+40.3% and +16.6%, respectively) and higher gold volumes, which offset weaker base metal prices. EBITDA grew 61.6% YoY with the EBITDA margin widening to 32.7% from 25.8%, driven by higher precious metals prices, favorable FX impacts, and lower production volumes. Net income stood at US$333.3 million in 2Q25, from a US$23.2 million net loss in 2Q24. The company resumed operations at Tizapa after resolving

a labor dispute and announced management changes to reinforce the Racaycocha project in Peru.

Mercado Libre delivered continued strong top-line growth in 2Q25 results, but profitability disappointed. Net revenues and financial income rose 34% YoY (+53% FX neutral), surpassing Bloomberg consensus. Commerce GMV grew 21% YoY, driven by 29% FX-neutral growth in Brazil, 75% in Argentina and 32% in Mexico, with item volume up in all three. Fintech TPV increased 39% YoY to US$64.6 billion, with MAUs reaching 68 million (+30% YoY). The credit portfolio expanded 91% YoY to US$9.3 billion, with a NPL ratio of 6.7% and NIMAL reaching 23%, from 31%. Income from operations rose 14% YoY, with the margin falling 210bps YoY to 12.2% due to growth investments. Net income slipped 2% YoY to US$523 million, missing consensus, mainly due to higher FX losses and the normalization of the tax rate.

GMexico's Southern Copper plans to invest US$10.2 billion in various mining projects in Mexico over the next few years.

Asur's total passenger traffic grew 1.5% YoY in July, driven mainly by a 2.0% rise in Mexico and a 3.5% increase in Colombia, which were partially offset by a 1.9% decline in Puerto Rico.

Gap's total passenger traffic was up 3.1% YoY in July, with domestic traffic rising 4.0% and international traffic increasing 1.9% YoY.

Oma's total passenger traffic advanced 7.1% YoY in July, with domestic traffic up 6.4% and international rising 11.9%.

Volaris' total passenger traffic grew 3.0% YoY in July, with domestic traffic increasing 2.9% and international traffic rising 3.3%. ASM's were up 6.0% YoY but the load factor decreased 5.0 PP to 84.9%. RSM's increased a marginal 0.1%.

S&P / BMV IPC rebalancing. On September 19th, S&P Dow Jones Indices will provide the updated composition of the S&P / BMV IPX index. Analysts expect Controladora Axtel to be removed from the index.

Cydsa obtained a MXN$645 million loan from Bancomext with a 10-year term, interest rate of TIIEF + 150 bps and a one-year grace period to pay the growing quarterly amortizations.

Norte 19 announced the successful completion of the refinancing of its syndicated loan for MXN$2.93 billion. The loan is a committed line with a five-year term, which can be optionally extended for an additional two years, for a total term of seven years. The interest rate starts at TIIE plus 275 bps, potentially decreasing to TIIE plus 190 bps, depending on the company's leverage level.

Arca-Continental has completed the acquisition of Imperial, LLC after fulfilling the required conditions. Imperial is a company operating in the "vending" machines and "micro

markets" business headquartered in Tulsa, Oklahoma and franchisee of Canteen in various territories in the US including Oklahoma, Texas, Arkansas, and other nearby states.

OTHER COMPANIES

Pemex released its 2025-2035 strategic plan which aims to restore financial autonomy by 2027 through a combination of government-backed investments and debt reduction strategies that target a debt decline to US$77.3 billion by 2030. As part of this plan, Hacienda issued the previously announced US$12 billion in pre-cap notes last week, while Banobras and commercial banks will finance a MXN$250 billion investment program through a government-backed investment vehicle. The plan also outlines a production recovery to 1.8 million barrels per day by 2030 by developing shallow-water field Zama and ultra-deep field Trion, both jointly owned with private-sector companies; and expands natural gas output to 5 billion cubic feet per day. **Fitch Ratings raised Pemex's global scale credit rating to 'BB', from 'B+', with a Stable Outlook,** following last week's successful P-caps US$12 billion issuance.

Fox Corporation announced the launch of a new sports pay-TV channel in Mexico, starting September 1st. It will be available for free during August through the Tubi platform.

Amazon Web Services with provide training to half a million Mexicans with AI. This program is part of Amazon's US$5 billion investment in Mexico, announced earlier this year under the "Plan Mexico".

Sofipo Finsus announced the acquisition of Anticipa, a company specializing in providing loans from MXN$150,000 on future bank card sales for SMEs. Terms were not disclosed.

ECONOMIC

Banco de Mexico cut its key interest rate by 25 bps to 7.75%, as broadly expected by the latest Citi Mexico Expectations Survey. Victoria Rodriguez Ceja, Galia Borja Gómez, José Gabriel Cuadra and Omar Mejía voted in favor of the 25 bps cut, while hawkish deputy governor Jonathan Heath voted against. They maintained their inflation forecast at 3.7% for YE25 and 3.0% for YE26. They increased marginally their core inflation expectations to 3.7%, from 3.6%, for YE25 and kept their 3.0% estimate for YE26.

Inflation reached 0.27% in July, INEGI reported, which was marginally below the consensus expectation of 0.28% according to the latest Citi Mexico Expectations Survey. Core inflation increased 0.31% (vs. 0.30% expected) with merchandise prices up 0.22% and services rising 0.39%. Non-core inflation stood at 0.13% with both agriculture and energy and government authorized tariffs advancing 0.13%. This translated into a last 12-month inflation rate of 3.51% (vs. the 3.53% consensus projection) and a core inflation rate of 4.23% (vs. 4.22% expected).

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Remittances declined 16.2% to US$5.2 billion in June, Banco de México reported. This was the third month in a row with an annual reduction. Cumulative remittances for the January-July period fell 5.6% YoY to US$29.6 billion.

Private consumption declined 1.0% MoM (seasonally adjusted) in May 2025, INEGI reported. Demand for domestic goods and services declined 1.3% while imports rose 0.3%. Private consumption fell 1.6% YoY (original data) with imports falling 7.1% and domestic goods and services contracting 0.4%.

The Consumer Confidence Index (CCI) increased 0.4 pts to 45.9 in July, mainly as a result of greater household optimism about potential purchases of household appliances, according to INEGI. However, the CCI fell 1.2 pts YoY due to a decline in the perception of the current and expected economic situation of the country. This marked the seventh month in a row with an annual contraction in this indicator.

Gross fixed investment grew 0.9% MoM (seasonally adjusted) in May 2025, according to INEGI. This increase was primarily driven by a 1.4% rise in construction spending, while investment in machinery and equipment showed no overall change. Gross fixed investment declined 7.1% YoY (original data), reflecting a 4.3% decrease in construction investment and a sharp 10.3% drop in machinery and equipment.

The median forecast for Banco de México's policy interest rate remained at 7.50% for YE25 and 6.75% for YE26, according to the August 5th **Citi Mexico Expectations Survey.** GDP growth estimates for 2025 increased to 0.3%, compared to 0.2% previously, and the 2026 forecast rose to 1.4%, from 1.2%. Headline inflation expectations for 2025 held steady at 4.00%, but core inflation for 2025 ticked up to 4.10%, from 4.03%. For 2026, the headline inflation median estimate is now 3.76%, slightly down from 3.80%, while core inflation stayed at 3.70%. The consensus for the Mexican peso FX rate is 19.60 for YE25, an improvement from 19.85 in the previous survey, and 20.16 for YE26, lower than the previous forecast of 20.30.

Formal employment increased by a historically high level of 1.27 million in July, boosted by the registration of digital platform workers to the social security system. With this figure, the total number of IMSS registered workers surged by 5.6% YoY to 23.6 million.

Light vehicle sales declined 0.6% YoY to 124,480 units in July, according to INEGI. Production rose 2.4% to 309,453 units while exports grew 7.9% YoY to 289,598 units.

CETES auction: 28-day CETES +2 bps to 7.50%; 91-day CETES +12 bps to 7.80%; 182-day CETES -6 bps to 7.94% and 350-day CETES -19 bps to 8.04%.

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	Price	Return in Pesos					
	07-Aug-25	1 Day	1 Week	1 Month	3 Month	6 Month	YTD
IPC	58,260.88	1.9	1.5	1.5	0.5	10.3	17.7
Pesos / Dólar	18.61	0.1	-1.4	0.0	-4.7	-9.7	-10.6
Telecommunications							
Amx B	$ 17.69	5.1	3.9	5.2	5.0	17.7	18.3
Axtel CPO	$ 2.37	0.4	0.9	-0.4	18.5	74.3	115.5
Media / Entertainment							
Tlevisa CPO	$ 9.15	1.7	-12.6	7.0	28.3	14.2	32.4
Aguilas CPO	$ 46.33	0.1	-1.0	-5.6	0.3	n.a.	n.a
Azteca CPO	$ 0.50	0.0	0.0	0.0	0.0	0.0	0.0
Mega CPO	$ 52.65	1.6	0.4	-5.1	1.8	27.5	55.3
CIE B	$ 42.71	0.0	3.2	18.6	37.9	72.2	62.8
Self-service							
Walmex*	$ 57.27	6.3	3.0	-3.7	-12.3	3.5	4.3
Soriana B	$ 24.90	-0.4	-4.1	-7.0	-10.6	-16.7	-16.0
Lacomer UBC	$ 42.77	0.9	4.7	4.1	6.9	23.7	31.7
Chdraui B	$ 159.81	4.2	4.6	7.2	14.0	30.6	27.5
Specialized Retail							
Alsea*	$ 56.70	1.6	0.3	13.6	25.3	16.3	30.4
Livepol C	$ 90.07	-0.1	-2.8	-11.4	-5.1	-13.4	-9.1
Elektra*	$ 369.17	0.0	-0.0	-0.2	3.3	9.5	6.0
Sports	$ 6.51	0.2	-1.2	0.2	-5.7	4.0	2.0
Beverages							
AC *	$ 199.48	0.8	1.5	3.5	-6.4	-0.7	15.5
Femsa UBD	$ 164.41	0.1	-3.5	-15.3	-18.2	-6.3	-4.6
Kof L	$ 159.45	2.1	1.9	-13.0	-14.0	-0.3	-1.6
Cultiba B	$ 11.00	-0.1	3.9	2.6	-1.8	2.8	-1.8
Food							
Bimbo A	$ 55.38	1.5	1.2	8.4	-8.2	2.5	0.3
Gruma B	$ 323.12	0.7	-0.9	2.1	-13.1	-7.3	-0.9
Cuervo*	$ 23.50	2.8	-0.6	4.4	-6.0	33.1	0.3
Herdez *	$ 53.76	-0.4	-1.9	-5.7	-4.8	-0.9	0.0
Consumer Goods							
Kimber A	$ 36.65	2.8	4.2	6.3	4.3	17.8	24.7
Lab B	$ 21.84	1.2	0.1	7.5	4.7	-23.1	-13.1
Cement, Construction & Infrastructure							
Cemex CPO	$ 16.04	2.8	-2.6	20.6	26.8	16.3	37.3
Ideal B1	$ 36.69	0.0	0.0	0.0	-5.2	-5.2	-5.2
Pinfra *	$ 245.79	3.1	10.5	13.6	12.7	25.0	39.2
Lamosa *	$ 112.99	-0.9	-0.9	-2.1	-2.2	-1.7	-1.7
GCC*	$ 177.96	1.0	1.0	-2.9	2.7	-14.4	-4.6
CMoctez*	$ 80.20	-1.0	-1.0	-1.0	-2.2	-1.0	7.1
Housing							
Ara *	$ 3.19	-0.6	-1.8	-4.8	-2.7	-6.5	-0.3
Cadu A	$ 3.30	-2.1	-2.1	3.1	1.5	3.1	-5.4
Vinte*	$ 30.00	0.0	0.0	-2.9	-9.1	-7.7	-7.7

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	Price	Return in Pesos					
	07-Aug-25	1 Day	1 Week	1 Month	3 Month	6 Month	YTD
Mining & Metals							
GMexico B	$ 121.54	1.3	2.9	7.4	17.9	14.7	22.9
Peñoles *	$ 577.13	5.2	16.1	16.0	36.5	79.1	116.8
Mfrisco A1	$ 3.78	-0.5	-6.4	3.6	11.8	12.5	10.5
Autlan B	$ 7.00	-1.3	-1.8	6.9	8.5	6.1	4.5
Steel							
Ich B	$ 168.99	0.6	-0.6	-1.2	-7.4	-0.6	-2.5
Simec B	$ 176.84	-0.0	-0.0	-1.8	-0.6	-1.8	-4.2
Airlines / Airports							
Volar A	$ 10.81	-0.3	-2.1	23.7	32.5	-33.8	-30.8
Asur B	$ 582.96	0.2	1.9	-1.2	-10.5	4.4	9.0
Gap B	$ 451.01	1.1	4.1	5.5	3.6	16.7	23.0
Oma B	$ 253.01	0.4	1.1	-1.6	7.4	26.8	41.0
Industrials							
Alfa A	$ 14.02	3.1	1.4	-1.0	-6.2	-0.8	12.9
Alpek A	$ 8.80	0.0	-2.8	-13.6	-14.6	-39.4	-32.5
Nemak A	$ 3.56	-1.4	3.5	8.5	15.6	47.7	44.1
GCarso A1	$ 132.86	2.2	-1.2	-0.4	-3.0	14.2	15.2
Orbia*	$ 12.26	-0.8	-5.0	-7.0	-10.2	-6.4	-18.2
Kuo B	$ 44.32	0.0	0.0	0.7	6.8	3.1	0.7
Gissa A	$ 14.59	0.0	-2.1	-8.1	-9.9	-13.4	-12.6
Agua*	$ 13.48	-0.5	-1.7	-4.7	6.8	-17.8	-15.5
Vitro A	$ 5.43	0.0	-0.4	2.5	-17.1	-29.5	-38.3
Financial							
Bolsa A	$ 40.07	-1.1	-1.0	-6.0	-6.6	24.6	20.1
GFInbur O	$ 50.81	1.8	4.4	0.1	-4.9	14.8	17.1
GFNorte O	$ 167.14	-0.6	-0.6	-3.5	-1.1	13.8	24.8
Regional	$ 142.98	1.4	-2.7	-9.3	-4.4	3.6	22.1
Bbajio O	$ 42.57	1.6	0.4	-5.3	-15.9	-10.8	2.0
Q*	$ 167.82	-0.4	-1.8	-11.6	-28.5	-10.4	-4.3
Gentera *	$ 42.83	-0.6	0.5	5.5	12.1	50.5	76.3
Findep *	$ 8.75	0.0	0.0	3.4	7.5	11.5	9.4
Actinvr B	$ 18.78	1.5	1.5	1.5	1.5	0.6	5.4
Fibras / Real Estate							
Funo 11	$ 26.67	0.8	-0.7	-0.9	2.9	20.6	31.6
Fshop 13	$ 8.84	-0.1	0.9	-0.7	1.6	6.4	4.1
Dahnos 13	$ 25.72	0.2	1.9	7.0	14.9	20.7	30.4
Fibra MQ	$ 30.97	-1.4	0.0	-0.7	0.4	-5.0	2.0
Finn 13	$ 4.93	0.0	1.0	-0.4	3.6	2.7	-7.0
Fiho12	$ 8.53	0.5	-3.2	-7.0	-11.2	-10.3	-8.7
Fibra HD	$ 2.22	1.4	-0.4	-0.4	-0.9	-4.7	-12.9
Prologis	$ 70.70	-1.4	-0.3	-1.8	-3.9	6.5	23.5
Terra 13	$ 32.58	0.6	0.7	-6.9	-11.9	-10.7	-10.3
Vesta *	$ 53.38	1.4	0.6	4.3	-2.4	-1.5	0.3
Hotel *	$ 3.63	0.0	-6.2	-1.9	-5.7	-3.2	-6.9
Gicsa B	$ 2.42	0.8	1.3	-6.6	-9.7	11.0	5.2
HCity*	$ 4.78	0.0	-0.2	2.6	-1.0	4.8	6.9